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Report on the Status of the PPBES Project  
and Alberta Implementation Plans 1  
  
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REPORT ON THE STATUS OF THE PPBES PROJECT  
AND  
ALBERTA IMPLEMENTATION PLANS

*Submitted to*

The Hon. L. Hyndman  
Minister of Education

*By*

The PPBES Project Staff  
Department of Education

*October, 1971*

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## I INTRODUCTION

The following statements represent a report on the status of the PPBES (Planning, Programming, Budgeting, Evaluation System) Project, and more particularly, the progress and status of the Program Accounting and Budgeting Project, which has been a major activity of the PPBES Project staff. In addition, a statement regarding the viability of PPBES as a cost control device is presented, along with a statement regarding the implementation plan for PPBES developments in the Province of Alberta. Appendices to this report deal specifically and in detail with the implementation plan, and refer to other sources of information regarding the nature of the work and progress of the PPBES Project, and of PPBES developments over the last year in the Province of Alberta.



## II A STATUS REPORT ON THE PPBES PROJECT

The primary goal of the Planning, Programming, Budgeting, Evaluation System Project (PPBES Project) is to facilitate an improvement in educational decision-making, thus providing a more effective learning environment for students. To this end, the objectives of the project include the development of a standardized program-based accounting system, the improvement of budgetary practices, the improvement of local and provincial reporting systems, and the improvement of the planning process in the field of education.

The activities of the Field Services staff associated with the work of the PPBES Project include the development of a program accounting and budgeting manual, the field testing of this manual, and the inservicing of relevant groups with respect to the conceptual framework and possible implementation of PPBE Systems in local school districts. In addition, some work has been accomplished with respect to the development of the planning and budgeting concepts of PPBES, and the undertaking of financially-oriented studies requested by the Minister's Committee on Educational Finance.

### Development of the Program Accounting and Budgeting Manual (Interim Edition)

The design and development of the PPBES Program Accounting and Budgeting Manual is proceeding on schedule. A complete text has been drafted and has been distributed to pilot project systems and other relevant interested groups and individuals. The conceptual design and operational procedures as outlined in the manual are in the process of being tested by the pilot project systems in terms of the operational feasibility, utility in the provision of good base data for analysis and planning, and adherence to legal and auditing requirements. Pilot district personnel have made, and continue to make, useful input with respect to proposed changes to either the conceptual design

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or operation of the accounting system. In addition, the ATA, ASTA, and ACSTA have been asked for reaction. The manuscript has been revised in the light of this feedback. The revised draft is being produced using an MTST (Magnetic Tape Selectric Typewriter) process in which the manuscript is transcribed onto magnetic tape and output through the facilities of the Queen's Printer. It is expected that an interim edition of the manual will be ready for general circulation by December 1, 1971. This interim edition will serve as a service document for school jurisdictions during a phase-in year, 1972, and may form the basis for a mandated reporting system by January 1, 1973. An initial circulation of 2900 copies is anticipated.

The manual deals with all aspects of PPBES as may be shown by the listing of chapter headings:

- i. Introduction
- ii. Conceptual Design
- iii. Coding Structure
- iv. Accounting Classification: Objects
- v. Accounting Classification: Program Structure
- vi. Accounting Systems
- vii. Financial Reporting
- viii. Planning, Programming, and Budgeting
- ix. Evaluation

#### The Program Budgeting and Accounting Project

The program accounting and budgeting project involves ten pilot jurisdictions in Alberta. They are:

Salisbury R.C.S.S.D. No. 105  
Lac La Biche School Division No. 51  
Pincher Creek School Division No. 29  
County of Beaver No. 9  
County of Mountain View No. 17  
County of Red Deer No. 23  
Lethbridge School District No. 51  
Grande Prairie School District No. 2357  
Edmonton School District No. 7  
Calgary R.C.S.S.D. No. 1

Each of these districts has undertaken to test the concepts and procedures outlined in the PPBES Program Accounting and Budgeting Manual in the following ways:



- a. Development of a program-based code of accounts which satisfies the requirements of the jurisdiction involved and reflects the suggested conceptual design and procedures outlined in the manual.
- b. Implementation of an operating accounting system for a period of at least three months. This accounting system must be based upon the code of accounts described in (a) above.
- c. Partial field testing of the proposed planning and budgeting cycle as outlined in the manual.

The program accounting and budgeting project has a time frame of one year (January-December, 1971).

Of the ten pilot project districts, most have met expectations with respect to progress to date. Each of the ten systems has established a program-based classification of accounts. Each has tested, at least in part, the operation of the program accounting system. Although there have been minor problems encountered in adapting the PPBES conceptual design to specific systems, and in organizing operational procedures for the accounting process, all systems are able to operate, and are relatively pleased with, the program accounting system developed by the PPBES Project staff.

One of the pilot systems, the County of Mountain View, has expanded its parameters to include the development of an integrated program accounting system for municipal and educational accounts. It is expected that the system being developed will be applicable to all county operations, and will be compatible with the PPBES Program Accounting and Budgeting Manual. In this regard, cooperation has been received from the Department of Municipal Affairs. Consultants have been retained jointly by the County of Mountain View and the Department of Municipal Affairs to assist in producing the integrated classification of accounts and to advise on suitable accounting procedures and technology. While this expanded frame of reference has delayed somewhat the progress of the County of Mountain View regarding the field testing of



the accounting system, it is expected that the development and testing of an integrated accounting system will be accomplished by early 1972. This project is also viewed by the Department of Municipal Affairs as the first phase of a program budgeting and accounting system for all Alberta municipalities.

In addition to the development and testing of the accounting and budgeting systems, pilot district personnel have been very much involved in inservice activities, both within their own systems, and at the zone level.

In summary, with respect to the program accounting and budgeting pilot project, progress to date has been encouraging as far as the PPBES Project staff is concerned. It should be noted that pilot districts have indicated that they would not go back to their previous system of accounting and budgeting after having experienced a program budgeting approach.

#### External Evaluation of the Program Accounting and Budgeting Project

One of the last functions associated with the Program Accounting and Budgeting Project takes the form of an external evaluation of (1) the work accomplished within the project itself and (2) the viability of the generalizing of the processes and concepts developed within the project to a provincial frame of reference.

At present, the PPBES Project staff has requested proposals from two external groups regarding the conducting of an external evaluation. Such proposals have been received and are under consideration. It is anticipated that the evaluation will occur during the last ten weeks of 1971, with a report to be produced by January 31, 1972. The evaluation will concern itself with the determination of (1) the functionality of the program accounting system developed during the project, (2) the ascertainment of whether the program accounting system might be used on a wider scale in educational systems in Alberta, and (3) the consideration of future directions for the PPBES Project.



## Inservice Activities

The PPBES Project staff has developed an overall plan for the inservicing of educational personnel in the Province of Alberta. Inservice is viewed as the task component of the PPBES Project group which will require increasing attention over at least the next two years. The rationale and strategy of the PPBES inservice plan is as follows:

### A. Rationale for PPBES Inservice

A fully operating PPBE System involves most personnel in school jurisdictions. In order to participate effectively, such personnel must be knowledgeable about the general concepts of PPBES and about their specific role in a PPBE System. Since prior knowledge of PPBES is extremely limited amongst school personnel in Alberta, it is essential that there be an extensive inservice training program at various levels.

### B. Strategy for PPBES Inservice

The master plan for inservice deals with five basic issues, namely, who to reach; what should be covered; who should handle the inservice; when should it be undertaken; and how should it be done.

Essentially, four levels of priority have been established with respect to who should be reached, as follows:

- i. Local systems personnel, teachers, trustees, etc.
- ii. Regional Office personnel, zone trustees groups, etc.
- iii. Provincial personnel, e.g., Department of Education Officials, Provincial ATA and ASTA officials, etc.
- iv. Other interested parties who request information. These may be from within Alberta or from outside the province.



With respect to the inservicing of local systems, the vast majority of work has been concentrated on pilot jurisdictions. It is anticipated that these jurisdictions will be thus able to assist in the inservicing of districts within their zone who are not pilot districts. It is also anticipated that regional office personnel, specifically consultants in administration, and field administrative officers, will assist in the inservicing of local school systems in their region.

Insofar as timing is concerned, the general rule is that 1971 is a year in which pilot districts are inserviced, whereas other districts may be inserviced during 1972.

The inservice function is being carried out using a multi-media approach which includes: the PPBES Newsletter, the accounting manual, formal meetings, workshops and seminars, video-tape presentations, and general press releases. In addition, an inservice kit for use by personnel conducting inservice work in PPBES is currently being prepared.

To date, three inservice seminars have been held for personnel from the ten pilot districts. These seminars dealt mainly with the accounting manual, problems encountered by pilots in implementing the accounting system, pilot progress reports, and general concepts of PPBES.

In addition, inservice sessions have been held with zone coordinators and administrative consultants, field administrative officers, and all other field services consultative staff.

Most relevant groups within the pilot districts have received exposure to inservice regarding PPBES concepts. These groups include school business officials, trustees, teachers, and school administrators. Exposure to the concepts of PPBES varies from system to system, but inservice activities of some type have occurred in each.

The ATA and ASTA have become involved in the PPBES inservice program with joint presentations by the above groups and the PPBES Project staff



having occurred in three pilot districts and at least three others are being anticipated in the fall of 1971.

Future needs regarding the PPBES inservice program include more specific forms of inservice on special topics such as analysis, budgeting, objective setting, etc., and the whole problem of reaching every educator in the Province of Alberta, if general implementation of some concepts of PPBES is to occur.

#### Other PPBES Developments

The PPBES Project staff has been concerned with three main areas of work in furthering the concepts of PPBES in Alberta:

- A. The development of a general evaluation model to assist in the identification and assessment of the processes and components of PPBES
- B. Involvement in the Program Task Force of the Government of Alberta
- C. The development of service-oriented materials to assist local jurisdictions in implementing PPBE Systems.

In relationship to A above, the PPBES Project staff participated with personnel from the Human Resources Research Council, in preparing a report regarding evaluation of operating PPBE Systems. This report has been presented to the Educational Planning Commission of the Human Resources Research Council.

In relationship to the work involved with the Program Task Force, Dr. W. R. Duke has acted as the Department of Education representative on that Task Force.

In the area of inservice materials, provision of such documents is in the initial planning stages. One of these plans involves the development of objectives banks for various curricular areas. To this



end, officials of the Curriculum Branch and the PPBES Project staff have cooperated in planning a proposed pilot project to develop objectives banks in elementary mathematics and junior high social studies. Also, in the planning stages, is the development of a service document on analysis of educational data which is intended to provide guidelines for local school systems in terms of the analytical concepts and techniques which may be used to analyze educational data. This document is viewed as a supplementary publication to the Program Accounting and Budgeting Manual. In addition, a field administration officer has been given the responsibility to prepare an inservice document dealing with the establishment and operation of a program accounting system.

#### Participation in Research Projects of the Department of Education

Over the course of the past year, there has been an increasing call upon the services of personnel of the PPBES Project with respect to work on research projects dealing with financial analysis. This call has been made either directly by the Minister of Education, the Deputy Minister, or by the Minister's Committee on Educational Finance. The first such study was concerned with Government contributions to the Teachers' Retirement Fund and the implications of proposed changes thereto. Other studies included an analysis of board and teacher contributions to the proposed insurance scheme as outlined in the White Paper, and a financial analysis of a school district which was encountering financial difficulties. Current studies now under consideration by members of the PPBES Project staff in conjunction with a Field Administrative Officer and personnel from the Operations Research Branch include the following:

- A. Development of a general and comprehensive analytic program regarding the Faculty Workload Survey. This program allows the relatively easy analysis of the workload of the professional



staff of educational institutions. While the PPBES Project staff were instrumental in the general design of the analysis, the Operations Branch was instrumental in the development of the computer program to handle this analysis.

- B. A number of studies which have been requested by the Minister's Committee on Educational Finance, namely the study of the Foundation Program weighting factors and the 6% Foundation Program escalation factor, and a study of qualitative indicators in the field of education. It is anticipated that as the data being produced by systems implementing PPBES becomes available, that more and more useful analysis may be accomplished by the PPBES Project staff, in conjunction with other branches of the Department of Education, most notably, the Operations Research Branch.

#### Some Considerations for Further Study

It is evident that if the work of the PPBES Project continues successfully, there are policy decisions which will have to be made over the course of the next eighteen months. Most immediate is the approval of the PPBES Program Accounting and Budgeting Manual (Interim Edition) and the attendant policy matters therein. For instance, there are questions dealing with a provincial reporting system which derives from the format specified in the above-mentioned manual. In addition, the whole question of information gathering by educational groups such as the Department of Education, and the Alberta Teachers' Association should be continually studied with respect to the possibilities for an integrated data collection system which will satisfy all requirements, yet be readily administered to educators in the Province of Alberta. A future consideration is the development of policy with respect to a furtherance of the planning and



budgeting concepts of PPBES and the development of planning techniques and analysis within the Department of Education itself. It is anticipated that as these developments occur, the staff now associated with the PPBES Project will become involved in some way in this type of task, recognizing that the major responsibility for some of these tasks lies with other branches of the Department of Education.



### III VIABILITY OF PPBES AS A COST CONTROL DEVICE

As indicated in the introduction, the primary purpose of PPBES is to improve decision-making, rather than to serve as a cost control device. However, PPBES includes characteristics which facilitate cost control procedures such as:

1. Monitoring of organization expenditures as they relate to program-oriented activities.
2. Monitoring of organization expenditures as they relate to objects of expenditure (e.g., salaries, supplies, etc.).
3. Budgeting according to a well structured budget cycle based upon responsibility center budgeting.
4. Encouraging of a systems approach to financial and resource management.
5. Fostering a cost-benefit approach to decision-making where applicable.

The inclusion of the above in PPBE Systems provides valuable assistance in cost control activities.

PPBE Systems are relatively neutral on costs. They have been shown to neither reduce costs nor to increase them. They do, however, have the potential of encouraging more rational decision-making, better specification of organizational goals and objectives, formulation of alternate plans of action, better evaluative and feedback procedures, and more effective and efficient management of resources. In this sense, they may well contribute to cost reduction in some areas of operation which can be considered to be organization "soft areas." However, a PPBE System may well point out "critical areas" which have expanded resource requirements. The implication may be



that decision-makers must reassign resource allocation within a fixed budget framework, rather than to institute an increase or decrease in total budget.

Of particular value is the PPBES focus on priorities. The traditional system of accounting has produced data which was not related directly to the on-going programs of educational organizations. This meant that policy-makers and administrators had little financial basis for determining priorities. Changes in educational programs have tended to be additive in that new programs have been formulated and implemented in addition to a continuation of old programs, thus serving to increase educational costs in an exponential fashion.

A PPBE System highlights priorities among viable alternatives, hence facilitating the possibility of replacing ineffective programs rather than simply adding new ones. Used in this way, a PPBE System can help decision-makers to make more effective use of available resources.

Since the field of education is labor intensive, personnel costs comprise the largest expenditure component of any school district budget. Hence, at this stage of social and economic development, inflationary increases in total expenditures are likely to be a continuing factor militating against the possibility of reducing overall educational costs, even with the assistance of an effective systems approach to management. One could however, expect a more efficient and effective use of resources under such conditions, thus better rationalizing the total expenditure for educational purposes.



#### IV METHOD OF IMPLEMENTATION

The provincial implementation of program accounting and budgeting through governmental mandate of a program-oriented reporting system is dependent upon the results of the evaluation of the PPBES Project which is to be completed by the end of January, 1972. The following implementation plan assumes that the evaluation of the Program Accounting and Budgeting Project will indicate that program accounting and budgeting should be implemented to some degree on a province-wide basis in Alberta.

Since any implementation of a financial accounting and budgeting process must of necessity correspond with a calendar year operation, the most aggressive time-line for the commencement of program accounting and budgeting on a province-wide basis would appear to be the calendar year 1973. That is, systems would be required to account according to a program accounting system and to report on a program-oriented budget and financial reporting statement beginning January 1, 1973. It may be that the lead time required for large school systems to phase into a program accounting operation might require more than one year, in which case provincial implementation might also be delayed. Thus, this proposal considers two alternative implementation plans: a one-year phase-in period, 1972 (Alternative A) and a two-year phase-in period, 1972 and 1973 (Alternative B).

In addition to the implementation requirements of the program accounting and budgeting system for Alberta school jurisdictions, there is a requirement for the provision of consultative services and materials with respect to the furtherance of the broader aspects of PPBE Systems such as planning and evaluation. Such further implementation of PPBES concepts would occur on a local basis, since planning, analysis and evaluation processes cannot be effected by provincial mandate. However, if this movement is to be encouraged by the Government, resource personnel employed by the Department of Education will be required



to assist local systems in their efforts to implement these higher concepts. Also, there would be a continuing role of the Department of Education in the monitoring of program accounting and budgeting operations, and of PPBES developments, as a part of the regular operation of school systems in Alberta. The implementation plan, therefore, consists of two aspects, namely, an intensive in-service commitment by the Department of Education in order to facilitate the implementation of program accounting and budgeting procedures over a phase-in period, of at least one year, and a continuous service and monitoring function which would be carried on by Department of Education personnel on a regular basis subsequent to the implementation of the program accounting and budgeting portion of PPBE Systems.

The in-service plans regarding the program accounting and budgeting aspects of PPBES should commence early in the calendar year 1972. The phase-in process, involves both the orientation of relevant personnel (primarily management) in local school systems with respect to the purposes, methods and utility of program accounting and budgeting systems, as well as direct training and assistance in the implementation of a program accounting and reporting system. To these ends the in-service function of the Department of Education would require the use of a wide variety of human and technical resources. By far the major portion of the human resource requirements for this period could consist of the services of personnel now employed by the Department of Education. The implication is that few resources not now budgeted for by the Department of Education would be required during the phase-in period. Of a projected personnel cost of \$392,000 for a two-year period, \$40,000 only, which would be used for outside consultants, would be over and above the current budget figure. On the other hand, the cost of the provision of technical resources such as films, film strips, video tapes, etc., would constitute additional costs to the Department of Education. It is anticipated that an effective in-service program regarding implementation would require approximately \$70,000 for the provision of resource materials for



local use. The total estimated cost of the implementation in-service program for program accounting and budgeting in Alberta would therefore be approximately \$470,000, of which \$110,000 would be the additional cost not in the budget.

In relation to the provision of consulting and monitoring services on a continuing basis, it should be recognized that a decision to implement program budgeting in Alberta school jurisdictions would imply that the Department of Education is prepared to allocate resources for such a monitoring and consultative service. Once again, the expenditures incurred through this program would consist mainly of salaries of persons now employed by the Department of Education, and would therefore require little additional funding on a continuous basis.

It is anticipated that school jurisdictions who must implement a program accounting system will be faced with an implementation cost which will vary from system to system, depending upon such factors as size, technology used, and the degree of specificity of accounting to which a school system aspires. It would seem reasonable to expect the Department of Education to subsidize a portion of implementation costs in local systems since the process would be the result of a mandated requirement of the provincial government. Consideration should therefore be given to the provision of implementation funds through changes in the funding programs to school jurisdictions. One way in which this may be accomplished is by instituting increases in the Foundation Program Grants to local school jurisdictions stipulating that part of the increase is intended to provide for the implementation costs of program accounting and budgeting systems as required by the province.

In summary, the implementation plan for PPBES consists of either a one-year or two-year phase-in period in preparation for a mandated accounting and reporting requirement commencing no sooner than January 1, 1973, followed by the implementation of further aspects of PPBE Systems on a local option basis over subsequent years.



This plan suggests a concentrated implementation in-service program to be conducted during the calendar year 1972 and 1973, with subsequent monitoring and consultative services to be provided on a continuing basis and at the request of local systems.

The total cost of the implementation in-service program is expected to be approximately \$470,000, of which \$360,000 constitutes indirect and prorated costs associated with salaries of presently employed individuals deployed in various functions while \$110,000 constitutes the total of additional expenditures. The cost of implementation to local systems must also be considered but it is difficult to estimate implementation costs at this time. Such information can be ascertained after the evaluation of the PPBES Project, at which time reasonably accurate estimates of implementation costs in line with the approved recommendations can be generated in order that a plan for subsidizing such costs through funding programs might be considered.

Further detail regarding the implementation in-service plan may be found in Appendix A of this report, entitled, PPBES Implementation.



V CONCLUSION

The above report has been intended to describe the status of the PPBES Project and the Program Accounting and Budgeting Project as at the end of October 1971. In addition, an attempt has been made to discuss the viability of PPBES as a cost control device and to present a general plan for the implementation of the program accounting and budgeting aspects of PPBE Systems in Alberta, as well as to allude to the general plans for furtherance of the planning, analysis and evaluation concepts of PPBES. Appendix A provides detailed descriptions of implementation plans, while Appendix B refers to sources of additional information regarding PPBES developments in Alberta over the last calendar year as well as general sources of information regarding PPBES.

It is hoped that the above report provides a service to those policy-makers who must decide on the future course of action for PPBES developments in Alberta.



*APPENDIX A*

*PPBES IMPLEMENTATION*



APPENDIX A: PPBES IMPLEMENTATION

The provincial implementation of program accounting and budgeting through governmental mandate and of the higher PPBES processes through local option are dependent upon the results of an internal and external evaluation of PPBES efforts in the Province of Alberta which is to be completed by the end of January, 1972. In regard to a likely implementation date for program accounting and budgeting, the Honorable Robert Clark, on June 11, 1971, then the Minister of Education, issued the following policy statement through a communication release:

*"The results of an internal and external evaluation of PPBES efforts late in 1971 will be used to formulate future policy and plans for PPBES in Alberta. If the evaluation indicates that PPBES should be pursued, then a preparation and phase-in period of at least one year will be required to implement program accounting and budgeting throughout the province. Such a phase-in period would commence in January, 1972. Therefore, any mandatory changes in school board accounting-budgeting procedures cannot take place before January 1, 1973."*

The target implementation date of January 1, 1973 is deemed by the PPBES Project as an aggressive date for provincial implementation of program accounting. However, results of the evaluation procedures could reveal that January 1, 1974 might be a more realistic target date. Several reasons suggest that January 1, 1973 is a rather ambitious implementation date. First, difficulty will be experienced in providing the necessary in-service activities to school business officials, central office personnel and school boards. Second, the size of large jurisdictions like the Calgary Public School Board retards early implementation. Third, sufficient time is required by jurisdictions to technically prepare for the transition, i.e., a decision must be made as to the technology to be utilized as well as the provision of time for programming or re-programming of the technology and preparation of the procedures and documents. Fourth, the procedural accounting manual being prepared by a Field Administrative Officer will probably not be



ready for circulation until September, 1972 - leaving four months for in-servicing. Fifth, the development of an integrated classification system for school and municipal accounting is only now in the pilot stage: thus insufficient time for counties to implement an integrated program accounting and budgeting system. Sixth, a resolution (No. 31 M/71) requesting postponement of implementation until January 1, 1974 will be placed before the ASTA membership during their November, 1971 convention. However, both January 1, 1973 and January 1, 1974 are viable target implementation dates. It should be noted that the target implementation day must be January 1 so as to coincide with legislated reporting and budgeting dates.

In October, 1970 a complete design for the PPBES Project which included evaluation was presented to the Innovative Projects Advisory Board. In regard to the evaluation requirements, this proposal indicated that:

*"The evaluation phase involves two aspects:*

- (1) *the internal evaluation of the new accounting and budgeting system by the pilot districts and the PPBES Project staff in accordance with the objectives held for the Project.*
- (2) *the external evaluation of the project by an 'outside' team of evaluators. This evaluation team would examine the project in relation to the stated objectives and would also make recommendations with respect to the direction to be taken."*

At present, two research and analysis groups (HRRC and M & M Research Systems) have submitted evaluation proposals. A final evaluation report by the contracted group is to be submitted by no later than January 31, 1972. It is after this date that a policy statement regarding implementation of program accounting and budgeting through a provincial mandate and of the other processes of PPBES through local option must be made by the government. The mandate for implementation of program accounting and budgeting would be in the form of a legislated program-oriented financial budget and report. This proposal outlines an implementation plan on the assumption that the government chooses to go in this direction.



### Implementation Frame of Reference

Provincial implementation of program accounting and budgeting and of the higher PPBES processes is considered to be a massive task in that it involves the changing of established and patterned behavior of many personnel involved in the educational enterprise. Successful implementation requires the contacting of all identified referent groups, the dissemination of information to them, changing their attitude and hence behavior, assistance through consultation in implementing the new learnings and monitoring the local implementation efforts to ensure the successful implementation and continuing operation. In-service is the vehicle through which the identified implementation tasks can be accomplished.

Two distinct implementation phases have been suggested: provincial implementation of program accounting through a phase-in period, 1972 or 1973, and local implementation of the planning, programming, evaluation and analysis processes through local option. 1971 is considered the development and experimentation year. Hence the following time-line:

PHASE I - August, 1970 - December 31, 1971 - Development and trial period.

PHASE II - Alternative A: One-year Plan (1972) - Provincial phase-in of program accounting and budgeting.

Alternative B: Two-year Plan (1972, 1973) - Provincial phase-in of program accounting and budgeting.

PHASE III - Optional local implementation of total PPBES concept.

In-servicing Alberta educational personnel for the implementation of program accounting and budgeting requires the participation of a large number of people. It is expected that five "core" PPBES members will be required to successfully implement program accounting and budgeting.

Other human resources are available within the present Department of Education structure. Field Administration Officers are viewed as playing a



key role in the implementation of program accounting and budgeting. Their roles would be complemented by the Administrative Consultants in Regional Offices. The ASTA and ATA are both viewed as potential resources to assist in the in-service function of both phases. Both associations have already participated in at least six in-service sessions with the PPBES Project staff as part of Phase I activities. The coordinators from the 10 pilots are considered to be choice resource persons since they have experienced the development and trial of the program accounting and budgeting concept. Their experiential base would be a most valuable asset. It is also possible that certain in-service functions could be most effectively and economically provided by private contractors. For example, it could be deemed desirable to contract an accounting firm to provide regional in-service in the allocation of expenditures.

The human resource requirements for Phase III could be significantly reduced if the Department of Education's role would be to assist school jurisdictions on a "request" basis. In Phase II, the Department should assume responsibility for initiating in-service and implementation action because of the regulatory nature of the program accounting and budgeting mandate. In addition to the provision of consultative services from the human resources identified for Phase II, subject area consultants from the Regional Offices could provide valuable in-service input in Phase III especially in planning and evaluation. The same is true for teachers from pilots. Other peripheral human resource potentials exist in organizations like HRRC.

The identification of the above human resource in-service potential indicates that in-service is a heavily labor-intensive function which makes the proposition rather costly. Successful implementation of program accounting and budgeting would require the entire PPBES staff on a full-time basis in addition to others. These labor costs can be reduced by supplementing the human complement by utilizing audio-visual technology. This proposal emphasizes a balance between human and technological resources. The technological resources



proposed include 16mm film, video-tape recordings (VTR), film strips, slides, film loops, records, audio-tapes, transparencies and print materials. This balance will significantly reduce the human resources required.

Costs for the provincial implementation of program accounting and budgeting are rather high, however, the resultant improved management system will result in a more effective, efficient and economical allocation of scarce educational resources on the local and hence provincial level. The same benefits, only in larger proportions, would accrue to Alberta education with local implementation of the higher PPBES processes.

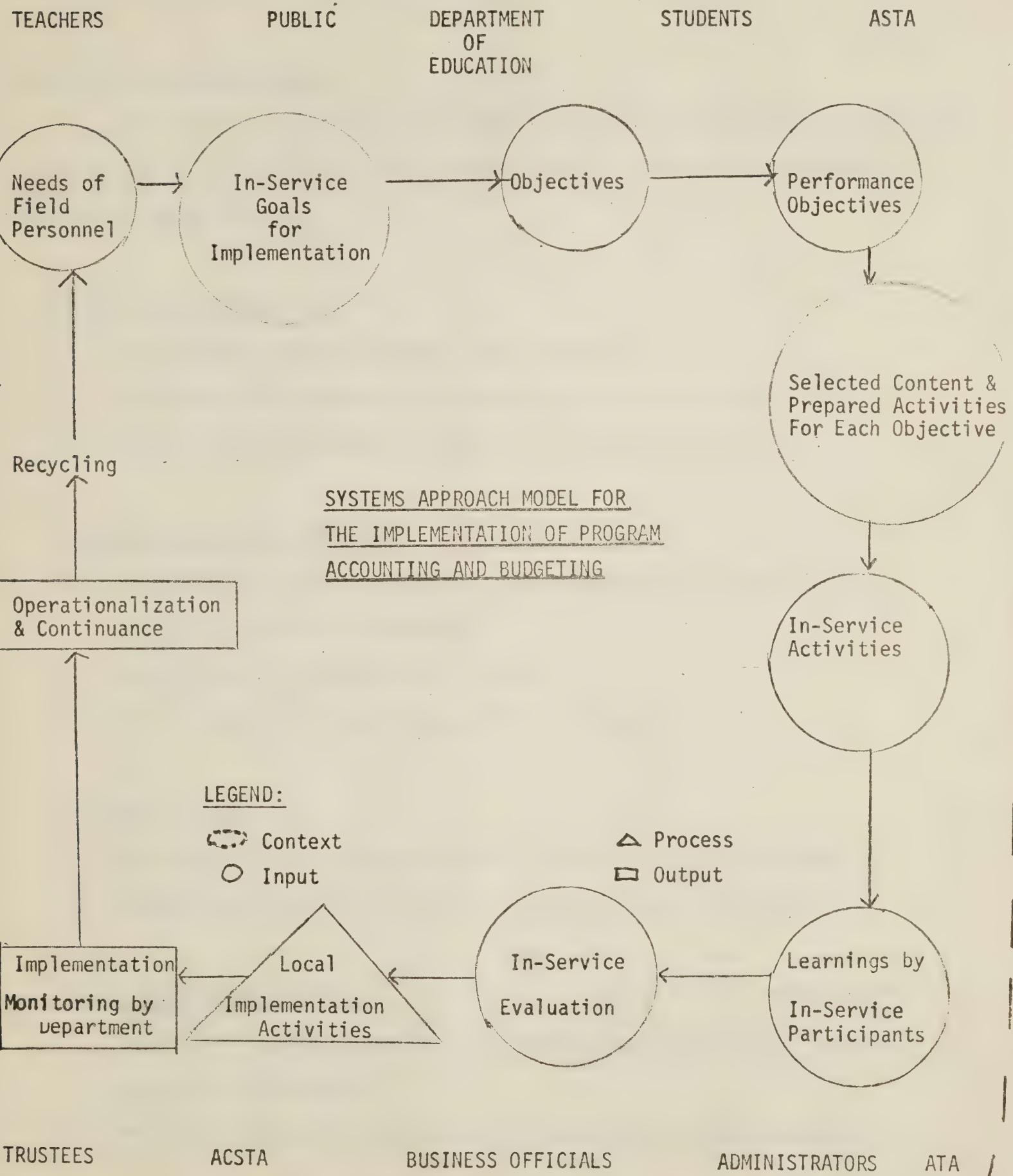
The strategy for in-servicing of Alberta educational personnel may be referred to as the "radiating-core" strategy or "fanning-out" process. This strategy utilizes the PPBES "core" staff as the most advanced "experts." These "experts" or "trainers" then train other "trainees" who in turn become "trainers."

#### Model For Implementation Through In-Service

Implementation of program accounting and budgeting should follow a systems approach, as should local implementation of the higher PPBES processes. First, the individual implementation needs of various field personnel must be identified. Then in-service goals aimed at resolving implementation needs must be selected. As a result, performance objectives, which are aimed towards the attainment of the broad in-service goals and more specific objectives, must be specified so that the needs of the field personnel could be met. In-service content and activities that would assist in resolving the needs must be selected and prepared and the in-servicing function conducted. The learnings or behavior changes of the in-service participants are evaluated to determine if the objectives were accomplished. If the objectives were accomplished, then the participants would be ready to commence local implementation of program accounting and budgeting. The implementation process must be monitored to increase the chance of successful implementation and to ensure continued operationalization. The model provides



recycling at all stages. The same model with minor modifications, is applicable to local implementation of the total PPBES concept.





This model illustrates that in-service and its associated activities provide input for implementation, i.e., in-service is the vehicle through which successful implementation can take place.

#### Details for Implementation

This report earlier identified much human and technical resource potential. This section will outline the functions and tasks of each resource potential as well as estimate the cost.

#### PPBES Project Staff

1. Train others as per "radiating-core" strategy
2. Coordinate the structure and scheduling of all in-service
3. Monitor the implementation process and ensuing operation

#### Field Administration Officers

1. In-service of business officials, superintendents and trustees in program accounting and budgeting
2. Consultation in implementation process
3. Monitor operating program accounting and budgeting

#### Regional Office

1. Administrative consultants provide in-service in all PPBES phases
2. Subject-area consultants in-service in planning and evaluation

#### Pilot Project Coordinators

1. Secretary-treasurers provide in-service in implementation of program accounting and budgeting
2. Secretary-treasurers could assist in monitoring of implementation



3. Superintendents provide in-service in program accounting and budgeting as well as planning, and evaluation.

ASTA

1. Series of seminars for trustees, business officials and superintendents
2. Development of provincial goal statement
3. ASTA conferences for dissemination of information
4. Assist in Department of Education sponsored in-service.

ATA

1. Seminars for teachers in systems
2. ATA Conventions for dissemination of information
3. Assist in Department of Education sponsored in-service.

Technical Resources

1. A 30-minute 16mm film which demonstrates a fully operating PPBE System for use in regular in-service as well as for circulation to TV stations for regular programming to the public.
2. A series of differentiated VTR's on accounting, orientation, background, involvement cycles, accounting technology and the processes.
3. Film loops on planning, programming, budgeting and evaluation
4. Supplementary slides, filmstrips, records and audio tapes
5. Differentiated print-materials to accompany all of the above.

The estimated costs to the Department of Education for the above necessary resources for successful provincial implementation of program accounting and budgeting are:



Implementation Costs

Human Resources (Two-Year Plan)

PPBES Project Staff (5 Full-Time)	160,000.00
Field Administration Officers (Half-Time)	70,000.00
Administrative Consultants (25%)	50,000.00
Subject-Area Consultants (5%)	72,000.00
*Pilot Project Coordinators (Contract) (10 days each X 20 persons X \$100.00 per day)	20,000.00
ASTA - No Fee	
ATA - No Fee	
*Others (Teachers, Accountants, Etc.)	<u>20,000.00</u>
	\$392,000.00

\*New Costs (\$40,000)

Technical Resources (Two-Year Plan)

*30 Min. 16 mm Film	30,000.00
*VTR'S (16.50/30 Min. Tape)	5,500.00
*Film Loops	10,000.00
*Slides & Filmstrips (\$20.00/Frame)	20,000.00
*Audio (Records & Tapes) (100.00/Record)	2,500.00
*Print Materials	<u>10,000.00</u>
	\$78,000.00

\*New Costs (\$70,000)



Thus, estimated costs for provincial implementation of program accounting and budgeting for the two-year phase-in period, 1972 and 1973 (Alternative B) would be \$470,000.00. However, the only additional costs to the present budget would be \$110,000.00 (\$40,000.00 for human resources and \$70,000.00 for technical resources). If the one-year phase-in plan (Alternative A), were selected, then the costs would approach those identified for the two-year plan because of the increased manpower requirement. From a cost-benefit point of view, it is believed that a more effective implementation would result from a two-year phase-in period. The \$78,000.00 budget for the technical resource requirements is considered sufficient for any implementation period of program accounting and budgeting.

If the government chooses to provide assistance to local school jurisdictions in the implementation of the higher PPBES concepts, then no additional salary costs would be incurred since the required consultative service would be borne by existing staff. Additional costs for technical resources would be upwards of \$30,000.00

Costs would also be incurred by local jurisdictions in the implementation of the mandated program accounting and budgeting. Any change in school jurisdiction operation dictates additional phase-in and maintenance costs. Therefore governmental consideration should be given to assisting local jurisdictions in this change period. It is extremely difficult at this time, to ascertain a cost estimate for local implementation. However, the results of the pending evaluation should reveal local implementation costs. Several alternative methods of funding exist. A per pupil grant could be allocated to each jurisdiction, as was the case in the State of California (\$4.00 per pupil). This alternative appears undesirable because implementation costs are not proportionately related to the number of pupils. The support staff allocation in the SFP could be increased as could the allocation towards the CRU. Another alternative, perhaps the most feasible, is including costs of implementing program accounting and budgeting in the escalation factor (percentage increase).



In-Service and Implementation Initiation

It is recommended that the PPBES Project staff find means to initiate in-service and the ensuing activities. If in-service and ensuing implementation of program accounting and budgeting is to follow some logical sequence and master plan, then it is advisable that the PPBES staff develop this logical plan and then initiate the action necessary to in-service and implement. In-servicing of provincial personnel for local implementation of the higher PPBES processes could be on a "request" basis rather than "initiation" basis.



*APPENDIX B*

*SOURCES OF ADDITIONAL INFORMATION*



APPENDIX B: SOURCES OF ADDITIONAL INFORMATION

Further information regarding the concepts, design and operation of the PPBES Project may be obtained by reference to the following materials available from the PPBES Project staff.

- PPBES Project Program Accounting and Budgeting Manual (Interim)
- PPBES Inservice Kit (Interim)
- PPBES Newsletters (Vols. 1-3)
- An Assessment of Planning-Programming-Budgeting-Evaluating Systems in Education
- Preliminary Outline for the Establishment of a Province-Wide Program Budgeting System in Education
- A Preliminary Draft of a Proposal Regarding Implementation of a Program Accounting System for Alberta School Jurisdictions
- Composite Report to the Innovative Projects Advisory Board
- Progress Report to Directors' Council





